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FORM 2220ME 2025

Underpayment of Estimated Tax by Corporations or Financial Institutions

Enclose with your Form 1120ME or Form 1120B-ME.
(See instructions on back.)

For calendar year 2025, or fiscal year beginning _____, 2025 and ending _____, 20 _____

Name as shown on Form 1120ME or 1120B-ME	Your FEIN (do not enter / or -)

Part I - Calculating Your Underpayment

1. 2025 tax. (Check the applicable box below.) ..... 1. _____

   ☐ Form 1120ME, line 6c minus lines 7c and 7d.

   ☐ Form 1120B-ME, line 3f minus lines 4b and 4d.

2. Multiply tax on line 1 by 90% ..... 2. _____

3. 2024 tax. (If 2024 is a short-year, enter amount from line 2.)
   (If this line or line 1 is less than $1,000, do not complete rest of form.) ..... 3. _____

4. Enter the smaller of line 2 or line 3 ..... 4. _____

Payment Due Dates

Enter in columns A through D the installment dates that correspond to the 15th day of the 4th, 6th, 9th and 12th months of the taxable year.

	A	B	C	D
5. Enter 25% of line 4 in columns A through D, unless (a) or (b) below applies: ☐ a. Actual Liability: Check here and the box on Form 1120ME, line 9. Enter amount from line 17 of the annualization worksheet. ☐ b. If the corporation is a "large" corporation under IRC § 6655(g)(2)(A), enter the required estimated tax amount by statute and check this box. ..... 5.				
6. a. Estimated tax paid and carryover of prior year overpayment..... 6a. (See instructions.)				
b. Overpayment on line 8b from prior column ..... 6b.				
7. Line 6a plus line 6b ..... 7.				
8. a. Underpayment. (Line 5 minus line 7.) or ..... 8a.				
b. Overpayment. (Line 7 minus line 5.) ..... 8b.				

Part II - Calculating the Penalty

9. Enter the due date of the return or the date the underpayment on line 8a was paid to MRS, if earlier. ..... 9.				
10. Number of months or fraction thereof from the payment due date to the date shown on line 9 ..... 10.				
11. Enter the rate from the table included in the instructions ..... 11.				
12. Underpayment penalty. Underpayment on line 8a multiplied by the rate on line 11 ..... 12.				
13. Total of amounts shown on line 12. Enter result here and on Form 1120ME, line 9 or Form 1120B-ME, line 5b ..... 13.				

Revised: December 2025

General Instructions

Purpose of form:

Form 2220ME enables corporations and financial institutions to determine if sufficient estimated tax was paid by the proper due date. If the minimum amount was not paid timely, an underpayment penalty is imposed for the period of underpayment. This form helps determine whether or not you are subject to this penalty.

Who must pay the underpayment penalty:

If you did not pay enough estimated tax by any due date for paying estimated tax, you may be charged a penalty.

In general, you may owe the penalty if, for 2025 you did not pay the lesser of 90% of your tax liability for 2025 or 100% of the tax liability for 2024, if the 2024 return covered 12 months. Large corporations, as defined by IRC § 6655(g)(2)(A), must also meet the test required by 36 M.R.S. § 5228(5)(C).

Exceptions to the penalty:

You will not have to pay the penalty or file this form if either of the following two situations applies:

1. Your tax liability for 2025, reduced by allowable credits, is less than $1,000.
2. Your 2024 tax liability was less than $1,000.

The penalty may be avoided if at least 90% of the 2025 tax was paid when due, even though you may be required to file this form.

Actual liability for each quarter:

Taxpayers are required to make four equal installments of estimated tax unless the actual liability can be established, by adequate record, for each required installment payment of estimated tax. The Annualized Income Installment Worksheet for Underpayment of Estimated Tax is used to determine actual liability.

Carryover of Prior Year Overpayment:

Line 6a. Enter the carryover of the 2024 overpayment in the column that corresponds to the due date of the 2024 Form 1120ME or Form 1120B-ME, without regard to extension, or the date the payment resulting in the 2024 overpayment was made, whichever is later.

Computation of underpayment penalty:

If no exception applies for an installment date, complete lines 9 through 13 to determine the amount of the penalty. The penalty is based on the amount of the underpayment of the required installment for the period of underpayment. It is computed at the stated rate for each month or fraction thereof in the period of underpayment. For calendar year 2025, the penalty rate is .8333% per month or fraction thereof, compounded monthly. For calendar year 2026, the penalty rate is .75% per month or fraction thereof, compounded monthly. The effective penalty rate for the number of months shown on line 10 is listed below.

Fiscal year filers may not use the table below.

Number of months shown on line 10	1	2	3	4	5	6	7	8	9	10	11	12
Enter this rate on line 11, Column A	.008333	.016736	.025209	.033752	.042367	.051053	.059812	.068644	.076659	.084734	.092869	.101066
Enter this rate on line 11, Column B	.008333	.016736	.025209	.033752	.042367	.051053	.058936	.066878	.074880	.082941		
Enter this rate on line 11, Column C	.008333	.016736	.025209	.032898	.040645	.048450	.056313					
Enter this rate on line 11, Column D	.007500	.015056	.022669	.030339								